

# House Amendment 8374

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1 1 Amend Senate File 2337, as passed by the Senate, as  
1 2 follows:  
1 3 #1. Page 1, by striking lines 2 through 5 and  
1 4 inserting the following:  
1 5 <The association of Iowa fairs, or a fair, shall  
1 6 have the power to join a local government risk pool as  
1 7 provided in section 670.7.  
1 8 Sec. \_\_\_\_\_. Section 670.7, Code 2007, is amended to  
1 9 read as follows:  
1 10 670.7 INSURANCE.  
1 11 1. The governing body of a municipality may  
1 12 purchase a policy of liability insurance insuring  
1 13 against all or any part of liability which might be  
1 14 incurred by the municipality or its officers,  
1 15 employees, and agents under section 670.2 and section  
1 16 670.8 and may similarly purchase insurance covering  
1 17 torts specified in section 670.4. The governing body  
1 18 of a municipality may adopt a self-insurance program,  
1 19 including but not limited to the investigation and  
1 20 defense of claims, the establishment of a reserve fund  
1 21 for claims, the payment of claims, and the  
1 22 administration and management of the self-insurance  
1 23 program, to cover all or any part of the liability.  
1 24 The governing body of a municipality may join and pay  
1 25 funds into a local government risk pool to protect  
1 26 itself against any or all liability. The governing  
1 27 body of a municipality may enter into insurance  
1 28 agreements obligating the municipality to make  
1 29 payments beyond its current budget year to provide or  
1 30 procure the policies of insurance, self-insurance  
1 31 program, or local government risk pool. The premium  
1 32 costs of the insurance, the costs of a self-insurance  
1 33 program, the costs of a local government risk pool,  
1 34 and the amounts payable under the insurance agreements  
1 35 may be paid out of the general fund or any available  
1 36 funds or may be levied in excess of any tax limitation  
1 37 imposed by statute. However, for school districts,  
1 38 the costs shall be included in the district management  
1 39 levy as provided in section 296.7 if the district has  
1 40 certified a district management levy. If the district  
1 41 has not certified a district management levy, the cost  
1 42 shall be paid from the general fund. Any independent  
1 43 or autonomous board or commission in the municipality  
1 44 having authority to disburse funds for a particular  
1 45 municipal function without approval of the governing  
1 46 body may similarly enter into insurance agreements,  
1 47 procure liability insurance, adopt a self-insurance  
1 48 program, or join a local government risk pool within  
1 49 the field of its operation.  
1 50 2. The procurement of this insurance constitutes a  
2 1 waiver of the defense of governmental immunity as to  
2 2 those exceptions listed in section 670.4 to the extent  
2 3 stated in the policy but shall have no further effect  
2 4 on the liability of the municipality beyond the scope  
2 5 of this chapter, but if a municipality adopts a  
2 6 self-insurance program or joins and pays funds into a  
2 7 local government risk pool the action does not  
2 8 constitute a waiver of the defense of governmental  
2 9 immunity as to the exceptions listed in section 670.4.  
2 10 3. The existence of any insurance which covers in  
2 11 whole or in part any judgment or award which may be  
2 12 rendered in favor of the plaintiff, or lack of any  
2 13 such insurance, shall not be material in the trial of  
2 14 any action brought against the governing body of a  
2 15 municipality, or its officers, employees, or agents  
2 16 and any reference to such insurance, or lack of  
2 17 insurance, is grounds for a mistrial. A  
2 18 self-insurance program or local government risk pool  
2 19 is not insurance and is not subject to regulation  
2 20 under chapters 505 through 523C.  
2 21 4. The association of county fairs as defined in  
2 22 section 174.1, or a fair, shall be deemed to be a  
2 23 municipality as defined in this chapter only for the  
2 24 purpose of joining a local government risk pool as

2 25 provided in this section.>  
2 26 #2. By renumbering as necessary.  
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2 30 COMMITTEE ON AGRICULTURE  
2 31 MERTZ of Kossuth, CHAIRPERSON  
2 32 SF 2337.502 82  
2 33 av/rj/7398